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DEPARTMENT OF COMMERCE  
Foreign-Trade Zones Board  
[B-71-2019]

Foreign-Trade Zone (FTZ) 134 – Chattanooga, Tennessee  
Notification of Proposed Production Activity  
Volkswagen Group of America Chattanooga Operations, LLC  
(Passenger Motor Vehicles)  
Chattanooga, Tennessee

Volkswagen Group of America Chattanooga Operations, LLC (Volkswagen), submitted a notification of proposed production activity to the FTZ Board for its facility in Chattanooga, Tennessee. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on November 6, 2019.

Volkswagen already has authority to produce passenger motor vehicles within within FTZ 134. The current request would add a foreign status component to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status component described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt Volkswagen from customs duty payments on the foreign-status components used in export production. On its domestic sales, for the foreign-status component noted below, Volkswagen would be able to choose the duty rate during customs entry procedures that applies to passenger motor vehicles (duty rate – 2.5 %). Volkswagen would be able to avoid duty on foreign-status components which become scrap/waste. Customs duties also could possibly be deferred or reduced on foreign-status production equipment.

The component sourced from abroad is gas springs (duty rate – 3.9%).

Public comment is invited from interested parties. Submissions shall be addressed to the Board's Executive Secretary and sent to: [ftz@trade.gov](mailto:ftz@trade.gov). The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection in the "Reading Room" section of the Board's website, which is accessible via [www.trade.gov/ftz](http://www.trade.gov/ftz).

For further information, contact Christopher Wedderburn at [Chris.Wedderburn@trade.gov](mailto:Chris.Wedderburn@trade.gov) or (202) 482-1963.

Dated: November 13, 2019.

Andrew McGilvray,  
Executive Secretary.

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